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UNCLAS ROME 005704

SIPDIS

FROM U.S. MISSION IN ROME

STATE FOR IO/EDA KOTOK  
USAID FOR DCHA/FFP LANDIS, DRUMMOND, THOMPSON  
USDA FOR CHAMBLISS, TILSWORTH, LSCHATZ  
BRUSSELS FOR USAID/LERNER  
USMISSION GENEVA FOR USAID/KYLOH  
USUN FOR TAMLYN

E.O. 12958: N/A

TAGS: [EAGD](#) [EAGR](#) [UN](#) [WFP](#)

SUBJECT: WFP STRIVES TO EXPAND ITS BASE OF COMMODITY SUPPLIERS

REF: WFP LETTER DATED 2 DECEMBER 2003 TO USDA UNDER SECRETARY PENN

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SUMMARY  
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1. THE PROCUREMENT OF FOOD COMMODITIES BY THE WORLD FOOD PROGRAM (WFP) ROSE TO UNPRECEDENTED LEVELS IN 2003. FOR THE 6-MONTH PERIOD ENDING IN JUNE 2003, WFP PURCHASED COMMODITIES COSTING MORE THAN US DOLLARS (USD) 410 MILLION, EQUIVALENT TO ABOUT 1.8 MILLION METRIC TONS. AS MARKET SUPPLIERS OF PROCESSED FOODS AND CEREALS ARE EXPRESSING INTEREST IN SUPPLYING COMMODITIES FOR WFP PROJECTS, WFP'S PROCUREMENT SYSTEM IS ACCOMMODATING SUCH INTEREST. END SUMMARY.

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PROCUREMENT BACKGROUND AND DEVELOPMENTS  
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2. FOLLOWING REFERENCED LETTER, US MISSION PROGRAM OFFICER PHILIP LAMADE MET WITH WFP PROCUREMENT CHIEF, VLADIMIRO GAROFALO ON DECEMBER 19, 2003 TO DISCUSS DEVELOPMENTS IN WFP'S PROCUREMENT PROCESS CONSIDERING US COMMODITY VENDOR INTEREST IN DOING BUSINESS WITH WFP. SEPTTEL DESCRIBES PROCEDURAL GLITCHES RELATING SPECIFICALLY TO FOOD PROCUREMENTS FOR IRAQ.

3. IN 2003, WFP'S FOOD ASSISTANCE IN IRAQ, TOGETHER WITH ITS OTHER OPERATIONS AROUND THE GLOBE, REACHED UNPRECEDENTED LEVELS. FOR THE 6-MONTH PERIOD ENDING IN JUNE 2003, WFP PURCHASED COMMODITIES IN 71 COUNTRIES, INCLUDING MORE THAN 204,000 METRIC TONS FROM NORTH AMERICA. THESE PURCHASED COMMODITIES ARE IN ADDITION TO THE FOOD AID COMMODITIES PROVIDED "IN-KIND" BY SEVERAL DONOR COUNTRIES, INCLUDING THE US.

4. WFP'S GUIDING PRINCIPLES WITH RESPECT TO FOOD PROCUREMENT ARE TO ENSURE APPROPRIATE COMMODITIES ARE AVAILABLE TO WFP BENEFICIARIES IN A TIMELY AND COST EFFECTIVE MANNER. ABSENT EXPLICIT DONOR GUIDANCE OR BENEFICIARY PREFERENCE, DESCRIPTIVE SPECIFICATIONS DESIGNED TO MAXIMIZE COMPETITION ARE USED TO PURCHASE COMMODITIES.

5. WITH RESPECT TO IRAQ, WFP INFORMED US MISSION PROGRAM OFFICER THAT THE SPECIFICATIONS FOR WHEAT, VEGETABLE OIL, INFANT FORMULA, AND RICE ORIGINATE WITH THE IRAQI MINSTER OF TRADE. WFP SOLICITATIONS FOR THE 90-DAY BUFFER STOCK WILL BE OPEN FOR BIDDERS DEEMED CAPABLE OF MEETING THE QUALITY, SANITARY, AND PHYTO-SANITARY REQUIREMENTS OF THE RECIPIENT UNLESS THE MINISTRY OR COALITION PROVISIONAL AUTHORITY DETERMINE OTHERWISE. AT A VALUE OF APPROXIMATELY US DOLLARS (USD) 983 MILLION, THE SOLICITATIONS ARE EXPECTED TO GENERATE SIGNIFICANT INTEREST AMONG COMMODITY SUPPLIERS WORLDWIDE.

6. AT PRESENT, WFP ENCOURAGES SUPPLIERS TO COMMUNICATE ABOUT PROCUREMENT ISSUES BY EMAIL, [PROCUREMENT@WFP.ORG](mailto:PROCUREMENT@WFP.ORG). IN THE EARLY PART OF 2004, WFP EXPECTS TO PROVIDE PROCUREMENT INFORMATION ON ITS WEBSITE WITH AN OVERVIEW OF ITS WORLDWIDE PROCUREMENT ACTIVITIES, HOW TO DO BUSINESS WITH WFP AND REGISTRATION/APPLICATION FORMS TO BE REGISTERED AS A WFP SUPPLIER.

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